

MEMO

DATE: November 2, 2006
TO: Administration Committee and Regional Council
FROM: Wayne Moore, Chief Financial Officer, (213) 236-1804, moore@scag.ca.gov
SUBJECT: CFO Monthly Report for August/September 2006

SUMMARY:

This CFO report format has been revised. The report contains summary financial information about SCAG's total budget and our General Fund budget compared to actual expenditures and encumbrances for the two months ended August 31, 2006. Both reports have been summarized and are presented following this cover memo.

The report has been expanded to include discussion about the principal responsibilities of the CFO. It now includes a discussion about the major activities about Accounting, Budget and Grants Administration and Contracts, which occurred in August 2006. I believe this will provide the Administration Committee and the Regional Council with a broader understanding and appreciation for the work of the CFO.

BACKGROUND:

Accounting: During the month of August, the Accounting section was focused on wrapping up all of the FY05 activities. This included preparing a final requisition to Caltrans, and preparing and submitting SCAG's annual report of expenditures. These reports are required to be submitted by August 31 and SCAG was on time. In addition, planning meetings were held with SCAG's new external auditor in preparation for the start of the FY06 audit in September. I am pleased to report that the Government Finance Officers Association awarded SCAG the Certificate of Achievement for Excellence in Financial Reporting for the FY05 annual report.

Budget and Grants: During the month of August the Budget and Grants section accomplished the following: Prepared and submitted FY07 OWP Amendment 1 to Caltrans; began preparation of FY07 OWP Amendment #2; conducted SCAG/Caltrans meeting to review the FY06 4th Quarter Progress Report; conducted training with Caltrans on the FY08 application cycle for Caltrans Planning Grants; continued work on MOUs for various special grant projects in consultation with legal and program staff; completed the FY08 OWP Development Schedule.

Contracts: During the month of September, 2006, Continuing Cooperative Agreements (CCA's); with North Los Angeles County and with Western Riverside Council of Governments. One new contract was awarded to Digital Mapping Products for \$69,000; two contract funding amendments were executed that totaled \$41,215; and one contract amendment for added scope was executed that totaled \$119,844. Administrative issues the "Affirmation of Subregion" by the subregion executive director were resolved. A contract award protest was resolved finding there was no basis for the protest. SCAG's external audit consultant reviewed 33 contracts. Results have yet to be published.

Southern California Association of Governments
Total Budget vs. Actual Expenditures and Encumbrances
For the Two Months Ended August 31, 2006

Line Item Description	Annual Budget	Two Months Expenditures	% Budget Expended	Budget Balance	% Budget Remaining	Encumbrances (1)
						Contracts & Purchasing
Salaries and Fringe Benefits	\$15,302,486	\$1,954,661	13%	\$13,347,825	87%	\$211,936
Consultants & Professional Services	17,799,082	158,761	1%	17,640,321	99%	15,376,027
Sub Region Consultants & Staff Projects	4,268,112	0	0%	4,268,112	100%	3,840,069
Direct & Indirect Costs	5,279,519	686,823	13%	4,592,696	87%	1,655,699
All Other	3,963,279	0	0%	3,963,279	100%	0
Total	\$46,612,478	\$2,800,245	6%	\$43,812,233	94%	\$21,083,731

1. Encumbrances are the remaining balances of contracts or purchase orders, which have been committed.
The encumbrance is used for project budget purposes and not for accounting.

Southern California Association of Governments
General Fund Budget vs. Actual Expenditures and Encumbrances
For the Two Months Ended August 31, 2006

Line Item Description	Annual GF Budget	Two Months Expenditures	% Budget Expended	Budget Balance	% Budget Remaining	Encumbrances (1.)
						Contracts & Purchasing
Salaries and Fringe Benefits	\$200,000	\$0	0%	\$200,000	100%	\$0
Consultant and Professional Services	\$513,050	\$0	0%	\$513,050	100%	\$430,681
Regional Council (RC) Support	317,700	25,578	8%	292,122	92%	0
RC Special Projects and Sponsorships	109,800	0	0%	109,800	100%	0
All other Budget Categories	103,114	776	1%	102,338	99%	
Reserves for the GF	290,839	0	0%	290,839	100%	0
Total	\$1,534,503	\$26,354	2%	\$1,508,149	98%	\$430,681

1. Encumbrances are the remaining balances of contracts or purchase orders, which have been committed.
The encumbrance is used for project budget purposes and not for accounting.

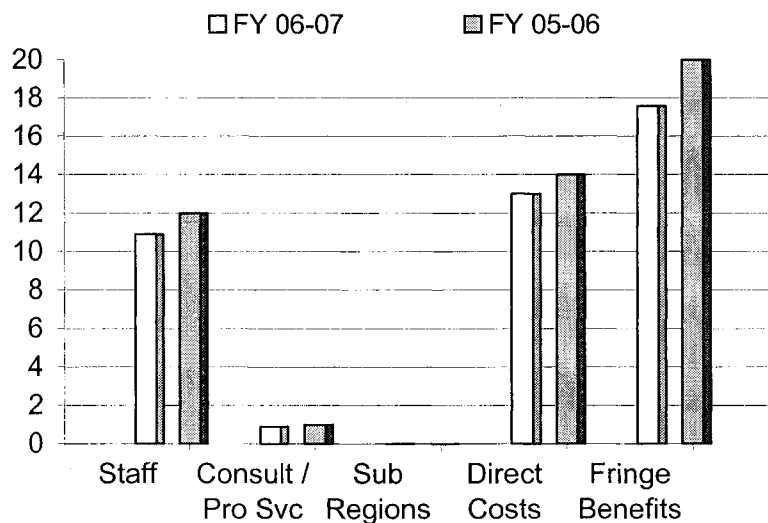
**Budget v. Actual and Encumbrances
Through August - 16% of Year**

	Budget	Yr to Date Expenditures Thru Aug	Balance	Pct of Bud	Encum- brances	YTD Expenditures Plus Encumbrs	Balance	Pct of Bud
Staff								
Salaries	10,614,321	1,106,571	9,507,750	10%	-	1,106,571	9,507,750	10%
Temporary Help	395,920	94,642	301,278	24%	211,936	306,578	89,342	77%
	11,010,241	1,201,213	9,809,028	11%	211,936	1,413,149	9,597,092	13%
Consultant / Professional Services								
SCAG Consultant	17,254,082	156,550	17,097,532	1%	15,113,741	15,270,291	1,983,791	89%
Legal Services	535,000	2,211	532,789	0%	252,786	254,997	280,003	48%
Professional Services	10,000	0	10,000	0%	9,500	9,500	500	95%
	17,799,082	158,761	17,640,321	1%	15,376,027	15,534,788	2,264,294	87%
Sub Regions								
Subregional Consultant	3,021,696	0	3,021,696	0%	2,737,127	2,737,127	284,569	91%
Subregional Staff Projects	1,246,416	0	1,246,416	0%	1,102,942	1,102,942	143,474	88%
	4,268,112	-	4,268,112	0%	3,840,069	3,840,069	428,043	90%
Direct Costs								
Internet Access Fees	3,000	150	2,850	5%	2,115	2,265	735	76%
Software Support	506,363	57,363	449,000	11%	1,104	58,467	447,896	12%
Hardware Support	57,000	5,631	51,369	10%	27,410	33,041	23,959	58%
Repair - Maintenance	0	0	0	0%	-	0	0	0%
Software Purchases	30,000	4,678	25,322	16%	21,967	26,645	3,355	89%
Office Rent - Main Office	1,200,807	212,493	988,314	18%	760,709	973,202	227,605	81%
Office Rent - Satellite Office	56,000	9,198	46,802	16%	37,365	46,563	9,437	83%
Equipment Leases	511,247	78,113	433,134	15%	333,045	411,158	100,089	80%
Equipment Repairs	34,730	364	34,366	1%	8,911	9,275	25,455	27%
Insurance	183,985	178,626	5,359	97%	-	178,626	5,359	97%
Payroll and Bank Process Fee	34,500	2,956	31,544	9%	-	2,956	31,544	9%
Office Supplies	115,500	13,460	102,040	12%	87,265	100,725	14,775	87%
Office Maintenance	-	-	-	0%	-	-	0	0%
Small Office Purchase	496,095	10,743	485,352	2%	34,925	45,668	450,427	9%
Telephone Charges	90,526	5,528	84,998	6%	489	6,017	84,509	7%
Postage and Delivery	82,000	6,417	75,583	8%	52,577	58,994	23,006	72%
SCAG Memberships	97,814	25,330	72,484	26%	-	25,330	72,484	26%
Professional Memberships	10,980	826	10,154	8%	1,685	2,511	8,469	23%
Resource Materials and Subs	43,550	7,581	35,969	17%	59,083	66,664	(23,114)	153%
Depreciation - Furniture	5,000	1,932	3,068	39%	-	1,932	3,068	39%
Depreciation - Computer	40,000	7,553	32,447	19%	-	7,553	32,447	19%
Amortization Lease	0	383	(383)	0%	-	383	(383)	0%
Capital Outlay	44,000	-	44,000	0%	-	0	44,000	0%
Recruitment Notices	25,000	1,729	23,271	7%	24,575	26,304	(1,304)	105%
Public Notices	65,000	1,022	63,978	2%	-	1,022	63,978	2%
Staff Training	181,000	4,928	176,072	3%	109,914	114,842	66,158	63%
RC & Committee Meetings	22,000	1,056	20,944	5%	12,643	13,699	8,301	62%
RC Retreat	17,500	-	17,500	0%	-	-	17,500	0%
RC General Assembly	17,500	-	17,500	0%	-	-	17,500	0%
Other Meeting Expense	46,500	373	46,127	1%	1,855	2,228	44,272	5%
Miscellaneous	168,583	5,444	163,139	3%	2,745	8,189	160,394	5%
RC Meeting Stipends	130,000	12,310	117,690	9%	-	12,310	117,690	9%
Letter of Credit Interest	75,000	0	75,000	0%	-	0	75,000	0%
Caltrans Rapid Pay Fees	1,000	75	925	8%	-	75	925	8%
Cash Contributions to Projects	246,839	0	246,839	0%	-	0	246,839	0%
Printing	190,000	25	189,975	0%	55,317	55,342	134,658	29%
Travel	305,400	28,260	277,140	9%	-	28,260	277,140	9%
Travel - Lod > Per Diem	3,000	125	2,875	4%	-	125	2,875	4%
Travel - Event Registration	28,800	1,989	26,811	7%	-	1,989	26,811	7%
NARC BOARD EXPENSE	3,500	-	3,500	0%	-	-	3,500	0%
RC Special Projects	18,000	162	17,838	1%	-	162	17,838	1%
RC Sponsorships	91,800	0	91,800	0%	20,000	20,000	71,800	22%
	5,279,519	686,823	4,592,696	13%	1,655,699	2,342,522	2,936,997	44%

**Budget v. Actual and Encumbrances
Through August - 16% of Year**

	Budget	Yr to Date Expenditures Thru Aug	Balance	Pct of Bud	Encum- brances	YTD Expenditures Plus Encumbrs	Balance	Pct of Bud
Fringe Benefits								
Vacation Accrual Reconciliatic	-	0	0	0%	-	0	0	0%
Severance Pay	-	0	0	0%	-	0	0	0%
Sick Leave Payback	-	0	0	0%	-	0	0	0%
Compensation Awards	-	0	0	0%	-	0	0	0%
Retirement - PERS	1,958,949	264,155	1,694,794	13%	-	264,155	1,694,794	13%
Retirement - PARS	58,045	14,803	43,242	26%	-	14,803	43,242	26%
Health Insurance	1,185,855	114,297	1,071,558	10%	-	114,297	1,071,558	10%
Dental Insurance	117,067	14,862	102,205	13%	-	14,862	102,205	13%
Vision Insurance	39,159	4,153	35,006	11%	-	4,153	35,006	11%
Life Insurance	95,000	6,469	88,531	7%	-	6,469	88,531	7%
Medical & Dental Cash Rebat	240,000	63,630	176,370	27%	-	63,630	176,370	27%
Medicare Tax	157,977	19,356	138,621	12%	-	19,356	138,621	12%
Tuition Reimbursements	5,000	0	5,000	0%	-	0	5,000	0%
Bus Passes	77,250	1,824	75,426	2%	-	1,824	75,426	2%
Carpool Reimbursements	4,120	315	3,805	8%	-	315	3,805	8%
Bus Passes - Taxable	0	9,239	(9,239)	0%	-	9,239	(9,239)	0%
Workers Comp Insurance	236,900	234,722	2,178	99%	-	234,722	2,178	99%
Misc. Employee Benefits	11,923	595	11,328	5%	-	595	11,328	5%
Unemployment Insurance	25,000	0	25,000	0%	-	0	25,000	0%
Deferred Comp Match	76,500	4,818	71,682	6%	-	4,818	71,682	6%
Benefit Administration Fees	3,500	210	3,290	6%	-	210	3,290	6%
	4,292,245	753,448	3,538,797	18%	-	753,448	3,538,797	18%
Other								
Soft Match Contributions	4,025,853	0	4,025,853	0%	-	0	4,025,853	0%
Exp - Local cash	165,625	0	165,625	0%	-	0	165,625	0%
Reconcile to Burden	(228,199)	0	(228,199)	0%	-	0	(228,199)	0%
	3,963,279	0	3,963,279	0%	0	0	3,963,279	0%
Grand totals:	46,612,478	2,800,245	43,812,233	6%	21,083,731	23,883,976	22,728,502	51%

% of Budget Spent @ 16% of year



Budget v. Actual and Encumbrances
General Fund Only
Through August - 16% of Year

	Budget	Yr to Date Expenditures Thru Aug	Balance	Pct of Bud	Encum- brances	YTD Expenditures Plus Encumbrs	Balance	Pct of Bud
Staff								
Salaries	62,116	-	62,116	0%	-	-	62,116	0%
Fringe Burden	34,251	-	34,251	0%	-	-	34,251	0%
Indirect Burden	103,633	-	103,633	0%	-	-	103,633	0%
	200,000	-	200,000	0%	-	-	200,000	0%
Consultant / Professional Services								
SCAG Consultant	313,050	-	313,050	0%	330,681	330,681	(17,631)	106%
Legal Services	200,000	-	200,000	0%	100,000	100,000	100,000	50%
Professional Services	-	-	-	0%	-	-	-	0%
	513,050	0	513,050	0%	430,681	430,681	82,369	84%
Direct Costs								
Payroll Bank Fees	4,500	671	3,829	15%	-	671	3,829	15%
Office Supplies	-	-	-	0%	-	-	-	0%
SCAG Memberships	22,614	30	22,584	0%	-	30	22,584	0%
Capital Outlay	44,000	-	44,000	0%	-	-	44,000	0%
Recruitment Notice	-	-	-	0%	10,000	10,000	(10,000)	0%
RC & Committee Meetings	22,000	1,056	20,944	5%	12,643	13,699	8,301	62%
RC Retreat	17,500	-	17,500	0%	-	-	17,500	0%
RC General Assembly	17,500	-	17,500	0%	-	-	17,500	0%
TRAINING	25,000	-	25,000	0%	-	-	25,000	0%
Other Meeting Expense	20,000	-	20,000	0%	1,265	1,265	18,735	6%
Miscellaneous	21,500	869	20,631	4%	81	950	20,550	4%
RC Meeting Stipends	130,000	12,310	117,690	9%	-	12,310	117,690	9%
Letter of Credit Interest	75,000	-	75,000	0%	-	-	75,000	0%
Caltrans Rapid Pay Fees	1,000	75	925	8%	-	75	925	8%
Cash Contributions to Projects	246,839	-	246,839	0%	-	-	246,839	0%
Travel	53,700	11,056	42,644	21%	-	11,056	42,644	21%
Travel - Lod. > Per Diem	3,000	125	2,875	4%	-	125	2,875	4%
Travel - Event Registration	4,000	-	4,000	0%	-	-	4,000	0%
AMPO Board Expense	-	-	-	0%	-	-	-	0%
NARC BOARD EXPENSE	3,500	-	3,500	0%	-	-	3,500	0%
RC Special Projects	18,000	162	17,838	1%	-	162	17,838	1%
RC Sponsorships	91,800	-	91,800	0%	20,000	20,000	71,800	22%
	821,453	26,354	795,099	3%	43,989	70,343	751,110	9%
Grand totals:	1,534,503	26,354	1,508,149	2%	474,670	501,024	1,033,479	33%